**Violation of Companines Act, 1956**

†2972. SHRI NAGENDRA NATH OJHA: Will the Minister of LAW, JUSTICE AND COMPANY AFFAIRS be pleased to state:

(a) whether it is fact that under Section 383A of Companies Act, 1956, there is a provisions that a full time Company Secretary as well as an Internal Auditor can be engaged by a Company with paid-up capital of Rs. 50 lakhs;

(b) if so, whether it is also a fact that Business India Television International Limited has been violating the said provisions for last several years; and

(c) if so, the details of the action taken against the said company?

THE MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI ARUN JAITELY): (a) Yes sir, as per the provisions of Section 383A of the Companies Act, 1956 every company having paid up share capital of Rs. 50 lakhs and above, is required to have a whole-time Qualified Company Secretary.

Appointment of Internal Auditor is not mandatory under the Companies Act, 1956. However, under the Manufacturing and Other Companies (Auditor's Report) order 1988, the statutory auditor is required to state, in relation to a company having a paid up capital exceeding Rs. 25 lakhs as at the commencement of the financial year concerned or having an average annual turnover exceeding Rs. 2 Crores for a period of three consecutive financial years immediately preceding the financial year concerned, whether the company has an internal audit system commensurate with its size and nature of its business

(b) and (c) Yes Sir, Show Cause Notices for violation of the provisions of Section 383A of the Companies Act, 1956 have been issued.

**Consideration of reservation for SCs/STs by Constitution Review Commission**

†2973. SHRI SHYAM LAL: Will the Minister of LAW, JUSTICE AND COMPANY AFFAIRS be pleased to state:

(a) Whether Indian Constitution Review Commission has decided to consider reservation for SCs/STs on the pattern of their proportional representation in Rajya Sabha and Legislative Councils and Lok Sabha/ Legislative Assemblies;

(b) if so, the details thereof; and

†Original notice of the question was received in Hindi.